

## Report to Council

<b>Report Title:</b>	Municipal Mileage Allowance Policy		
<b>Prepared By:</b>	Trish Serratore, Chief Financial Officer		
<b>Department:</b>	Finance		
<b>Date:</b>	May 12, 2020		
<b>Report Number:</b>	FIN2020-17	<b>File Number:</b>	C11FIN, A09
<b>Attachments:</b>	Mileage Allowance Policy, Resolution 12-09-126		

### Recommendation:

That the Council of the Municipality of Brockton hereby receives Report Number FIN2020-17 – Municipal Mileage Allowance Policy, prepared by Trish Serratore, Chief Financial Officer and by doing so approves a By-Law coming forward to adopt the Mileage Allowance Policy as presented.

### Report:

#### Background:

Since 2012 the Municipality of Brockton has been reimbursing staff and Council for their mileage at the set rate of \$0.50 per kilometre as per resolution 12-09-126. Previous reports were presented in an effort to establish a set a policy for the calculation of employee and Council mileage reimbursement but were not approved by Council at the time.

#### Analysis:

The Municipality of Brockton has been reimbursing staff and Council for their mileage at the set rate of \$0.50 per kilometre as per resolution 12-09-126. The Canada Revenue Agency (CRA) set requirement for reimbursing employees of an organization for mileage at a rate other than that set by CRA as a “reasonable rate” is considered a taxable benefit to the employees. Currently, the CRA reasonable rate of reimbursement for mileage is:

- 59¢ per kilometre for the first 5,000 kilometres driven
- 53¢ per kilometre driven after that

Since the Municipality of Brockton is still reimbursing staff at rate that was set in 2012 which is lower than that set by CRA, staff and Council would have all reimbursement for mileage added as a taxable benefit to their year-end T4, unless otherwise changed to comply with the set rate by CRA.

The County and neighbouring Municipalities within Bruce County all follow the CRA annually established reimbursement rate.

It is staff’s recommendation that a reasonable policy be established to ensure consistency in application. The Policy is attached for Council’s consideration.

**Sustainability Checklist:**

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

- Do the recommendations help move the Municipality closer to its Vision? N/A
- Do the recommendations contribute to achieving Cultural Vibrancy? N/A
- Do the recommendations contribute to achieving Economic Prosperity? N/A
- Do the recommendations contribute to Environmental Integrity? N/A
- Do the recommendations contribute to the Social Equity? N/A

**Financial Impacts/Source of Funding:**

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The financial impact on the Municipality is minimal, however, the impact on staff should council not adopt the policy to reimburse staff and Council for mileage incurred at the appropriate rate set by CRA would result in an increased taxable benefit to their end of year T4.

---

**Respectfully Submitted by:**



Trish Serratore, Chief Financial Officer

**Reviewed By:**



Sonya Watson, Chief Administrative Officer